

# MAURICE HINCHEY

## FOCUS ON ECONOMIC DEVELOPMENT



### HINCHEY LEGISLATION EXPANDS BROADBAND IN HUDSON VALLEY

Expanded access to broadband data lines, which provide for the rapid transmission of vast amounts of information, is the most important component of the Hudson Valley's future economic development. High-speed internet



access is the infrastructure for today's economy and for our future. Without it, our region can't compete for the kind of high-tech, high-skill jobs that pay decent salaries. Even companies we don't think of as high-tech —traditional industries

like insurance companies, banks, manufacturers, or hospitals— need broadband access to link to their other job sites and vendors. The ability to transmit data electronically is just as critical to economic development today as access to interstate highways, airports and rail lines in the last century. It's also crucial to improving education and making advances in health care.

In 2000, recognizing the importance of high-speed access, Congress established a Broadband Loan Pilot Program to stimulate economic development in rural areas. I worked with a company called Hudson Valley

DataNet to help them qualify for a loan through this pilot program in 2001. However, regulations limiting the size of communities that can benefit from this program had constrained DataNet's ability to bring broadband service to all of our areas. As a member of the House Appropriations Committee, I was able to add an amendment to a federal spending bill that waived the limitations in DataNet's case. This waiver allowed DataNet to apply for funding to continue its efforts to quickly bring all Hudson Valley locations onto its broadband fiber optic network. It also allowed DataNet to apply for more flexibility with its existing loan.

Once the bill containing my amendment was signed into law, DataNet was able to apply for a loan guarantee in the amount of \$27 million. The provision allowed the federal agency involved to approve the application quickly. DataNet is now in the process of providing vital high-speed internet access throughout the Hudson Valley.

### Need Help? Contact Me.

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[www.house.gov/hinchey](http://www.house.gov/hinchey)

### THRIVING FARMS ARE GOOD BUSINESS

Agriculture is among the largest industries in our state and in our congressional district. But up until now, almost all of the federal agriculture aid has gone to other parts of the country. Using my seat on the Agriculture Appropriations Subcommittee, I have worked to change that and the federal government is now giving our fruit and dairy farmers more of what they need to stay in business. Over \$300 million in federal aid has been directed to apple and onion farmers who have suffered losses in recent years. Dairy farmers who have experienced grossly unfair market conditions will now benefit from price protections. It's important to keep our farms strong and healthy for the food we need as well as for the protection of open spaces. I will continue fighting to make sure agriculture in New York gets the attention it deserves.

## FEDERAL GOVERNMENT MUST CONTINUE HELPING OUR COMMUNITIES

Helping to create economic opportunity and security for working families in New York's 26th Congressional District has been my principle goal as your representative. The federal government can be a big help to local economic development efforts and I am happy to be able to report great success in directing this assistance to the Hudson Valley.

This was an easier task when the federal budget was in the black. But the large budget surpluses inherited by President Bush have turned into large deficits mostly because of the massive tax cut he insisted on last year. Those deficits have brought about an effort on the part of the Bush Administration to severely cut programs that have been very helpful to the economy of our area.

The Community Development Block Grant program has provided tens of millions of dollars to the economic development effort in our congressional district. It has made it possible for many area businesses to expand; created revolving loan funds for business start-ups; allowed sewer and water systems to be improved and extended to accommodate business expansion; and made improvements to our available housing. Yet the CDBG program is slated by the White House for a cut of \$336 million. That's just one example of how the president's tax cut, which mostly benefits the wealthiest Americans, takes funds away from communities that rightly deserve them.

Even with the drastic cuts, the White House and the Republican leadership of the House of Representatives are simply unable to meet the country's essential needs. Recently, they passed a dangerous piece of legislation that allows the federal government to break its own spending limit and take hundreds of billions of dollars from the Social Security Trust Fund.



*Hinchey discusses business issues in Kingston with Mayor Sottile (right) and business owners*

Going deeper and deeper into debt to pay for the tax cut is exactly the wrong thing to do. Not only does it make it harder for the federal government to contribute to economic development efforts, it makes it more difficult for average people to make their lives better. That's because interest rates go up, essentially putting an additional tax on people who need to buy a house, start or expand a business, go to college, or pay down consumer debt. The modest refund received by the average taxpayer is wiped out many times over by this indirect tax, the budget cutbacks and the interest we all have to pay on the federal debt, which is now growing again.

I strongly oppose paying for a tax cut for the wealthy by cutting programs that are helping struggling communities, taking money out of Social Security and putting us deeper into debt. As a member of the House Appropriations Committee, I am fighting to make sure that our communities receive the federal assistance they need, while bringing the federal budget back into balance.

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